

**ASX ANNOUNCEMENT**

30 October 2026

1QFY27 Quarterly Report – Accelerated Build of the Expanded HeroPlay Gaming Universe

SportsHero Limited ('SportsHero' or the 'Company'), an integrated digital gaming and e-Sports business focused in the South East Asia market, is pleased to provide the following update for the September quarter.

Highlights

- The September quarter saw the build out of the HeroPlay Gaming Universe progress rapidly, with the signing of significant supply side agreements with leading game industry supply chain partners, including Xsolla, Carry1st, Giftery.Pro and others.
- These new agreements, in addition to our existing mobile casual gaming product, provide SportsHero with the opportunity to monetise consumer engagement across mobile, PC and console gaming, both within the gaming segment and the mass market entertainment and lifestyle categories.
- The HeroPlay gaming universe now contains thousands of new products including: gaming top-up vouchers, ePINs, direct-to-consumer webshops, in-app purchases and global payment capabilities, significantly broadening our revenue opportunities.
- These new agreements and the expanded platform build give HeroPlay access to 100% of the full gaming market opportunity, compared with approximately 6.3% under the original mobile gaming subscription offering only.¹
- The build-out of the tech stack, integrating all our new supplier platforms and products into a single API connected hub, known as the HeroPlay Gaming Universe, is almost complete, with the commercial go live on track for November.
- Management plans to provide a video demonstration of the platform soon after its commercial release in November.
- Cash at the end of the quarter was \$3.06m, with the majority of the new technology spend for the expanded Gaming Universe platform now largely complete.

¹ Market figures are 2025 industry estimates (Newzoo, Sensor Tower, Statista) <https://newzoo.com/reports/global-games-market-report>
<https://sensortower.com/press/press-release-sensor-tower-state-of-gaming-gaming-drove-52-billion-downloads-82b-iap-revenue-on-mobile-and-12b-premium-revenue-on-steam>

SportsHero's CEO Tom Lapping said:

"It's been an exciting quarter for SportsHero with the signing of multiple new partnerships expanding the HeroPlay Gaming Universe significantly. Thousands of new products, which appeal to both hard-core gamers and the mass market, broaden what we offer our telco partners and our ability to engage with their consumer base, creating a much larger revenue opportunity.

With the new platform ready to go live next month, we're well positioned to expand our telco partnerships and bring the fully integrated HeroPlay Gaming Universe to both new and existing consumers across our target markets."

1. Building the HeroPlay Gaming Universe

During the quarter, SportsHero announced further partnerships supporting the development of HeroPlay into a broader gaming and digital commerce ecosystem. The expanded offering is designed to give consumers more reasons to visit and transact, while providing additional ways to monetise the platform alongside gaming subscriptions.

The supplier and commerce partnerships create opportunities across vouchers, digital goods, webstores, in-app purchases, in-app advertising and payments platforms. This fully integrated and API connected hub called the "HeroPlay Gaming Universe" is designed to encapsulate all key revenue components of the international gaming segment.

The global gaming industry is estimated to be worth approximately US\$205 billion, with around 3.6 billion gamers worldwide. Within this market, gaming subscriptions account for an estimated US\$13 billion (approximately 6.3% of global spend), while vouchers and gift cards represent approximately US\$22 billion (10.7%). The largest revenue segments are in-app purchases, estimated at US\$103 billion (50.2%), and in-app advertising, estimated at US\$62 billion (30.2%).²

Accelerated Build Program During 1QFY27

The tech team undertook a major product architecture rebuild throughout the quarter, integrating all the new supply partners into one platform, which would typically take up to 12 months to complete. Each partner has its own APIs, data formats and tech infrastructure, so each integration is a separate build, incorporating product catalogues, pricing, fulfilment, payments, reporting, etc. The Company's dev-team have been able to compress this timeline and have fast-tracked this to ~4 months so the platform will be ready to launch soon.

The HeroPlay Gaming Universe has been designed to be partner-agnostic. The platform can plug into any supplier's or telco's API, so future partners can be added faster and at lower cost, making this investment a significant future advantage. All future upgrades and additions to the platform will continue to be built in this way, so as to ensure seamless plug-and-play of new suppliers as agreements are signed.

² Market figures are 2025 industry estimates (Newzoo, Sensor Tower, Statista) <https://newzoo.com/reports/global-games-market-report> <https://sensortower.com/press/press-release-sensor-tower-state-of-gaming-gaming-drove-52-billion-downloads-82b-iap-revenue-on-mobile-and-12b-premium-revenue-on-steam>

Telco Direct Carrier Billing (DCB) integration is also a key feature of the upgraded platform architecture, with HeroPlay Gaming Universe ready to integrate with, or embed into, each telco's DCB infrastructure. That covers a separate layer of work on top of the supplier integrations, including billing and payment flows, subscriber authentication, telco-side reporting and reconciliation, and meeting each telco's own technical and security requirements. Every telco runs different DCB systems, so building this integration in now means we can go live faster with new and existing telco partners as agreements are signed.

2. Xsolla Partnership Adds Gaming Commerce Capabilities

On the 28th September, SportsHero issued a joint Press Release with Xsolla (USA), Inc announcing our strategic partnership. The agreement integrates Xsolla's commerce, payments and distribution infrastructure into the HeroPlay Gaming Universe, opening new revenue pillars alongside SportsHero's existing subscription and DCB model.

The partnership brings direct-to-consumer webshops and in-game purchase capabilities into the platform, offering access to a global catalogue of game and digital content that SportsHero can add to HeroPlay without licensing products one by one. The agreement advances HeroPlay's evolution into a full gaming universe spanning subscriptions, vouchers, webstores, in-app purchases and advertising.

A Broader Commerce Layer for HeroPlay

Through Xsolla, SportsHero gains direct-to-consumer game webstores where players can purchase in-game currency, digital goods and bundles using locally relevant payment methods, or via DCB through SportsHero's telco network across South East Asia. Because the Xsolla platform is not dependent on those telco relationships, SportsHero can also monetize players outside its carrier partner base, diversifying its acquisition channels rather than concentrating them in one place.

Xsolla brings over 20 years of commerce infrastructure to the partnership. The company operates as merchant of record across more than 200 geographies, with access to over 1,000 payment methods and 130 currencies and has launched more than 3,000 direct-to-consumer webshops for developers worldwide. That scale gives SportsHero established infrastructure on day one, rather than requiring HeroPlay to build a global commerce and payments stack internally.

3. Expanded Gaming Product Offering

The Company entered into a supply agreement with a major global supplier, providing access to more than 1,000 gaming-related digital products and services. The offering includes gaming top-ups and ePINs across popular mobile games and established gaming platforms.

SportsHero's commercial model provides for commissions or fees on products sold through HeroPlay. Margins on direct-channel sales are retained by the Company, while margins on telco-channel sales are shared with the relevant partner.

A subsequent agreement with Carry1st further broadens the planned voucher catalogue, including products associated with Garena Free Fire, Mobile Legends: Bang Bang, PUBG Mobile, PlayStation Store and Steam. The arrangement also operates on a sales-linked commission model, without minimum expenditure or recurring fees.

The Giftery.Pro distribution agreement extended the catalogue beyond gaming to entertainment and lifestyle products, including brands such as Netflix, Spotify, Amazon and Uber.

Integration through a single API is intended to simplify access to the supplier's catalogue. The wider range also provides additional reward and prize options for tournaments, promotions and loyalty initiatives, including City Battle.

Revenue is commission based, with margins varying by product and brand. The advantage of having a wide variety of suppliers includes that it offers greater choice for consumers and allows for competitive pricing which can be passed onto or shared with the telcos.

4. Gaming Leadership Strengthened

During September, Duane Mutu was appointed Vice President of Business Development & Gaming, moving from his advisory role into an executive position.

His remit includes advancing publisher and content relationships, developing gaming commerce opportunities, working with distribution partners and expanding monetisation across the HeroPlay ecosystem.

5. Cash and Expenditure

Operating cash receipts of \$391k was higher this quarter versus \$289k in 4QFY26.

Product development and operating costs of \$451k was higher this quarter due to the accelerated tech build, the associated staff costs including payments to related parties of \$267k versus \$163k 4QFY26 was also increased to support the business.

Net operating cash used in operations for 1QFY27 was \$775k versus \$611k in 4QFY26, which included the following:

- Cash receipts \$391k versus \$285k 4QFY26
- Staff costs including payments to related parties \$267k versus \$163k 4QFY26
- Product manufacturing and operating costs \$451k versus \$287k
- Advertising and marketing \$135k versus \$189k
- Corporate and admin costs \$203k versus \$257k
- ASX and Audit fees costs -\$110k

Cash at bank as at 30 June 2026 was \$3.06m.

During 1QFY27 a total of \$159k was paid to related parties of the Company as follows:

- \$62k for the provision of full-time services by a Director
- \$16k for Non-Exec Director fees
- \$81k for salary, statutory superannuation, Director fees and travel related expense reimbursements to Exec Director; and

\$1 million Undrawn Debt Facility

At the end of the 1QFY27, the previously reported \$1 million loan facility remains in place, but was undrawn.

Questions : To ask a question or find out more about this announcement, go to this [link](#)

Authorised for release by the Board

Ross Pearson
Company Secretary

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity: Sportshero Ltd

ABN

98 123 423 987

Quarter ended ("current quarter")

30 September 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	391	391
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(451)	(451)
(c) advertising and marketing	(135)	(135)
(d) leased assets	-	-
(e) staff costs	(267)	(267)
(f) administration and corporate costs	(313)	(313)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(775)	(775)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	398	398
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(5)	(5)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	393	393

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,446	3,446
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(775)	(775)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	393	393
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
4.6	Cash and cash equivalents at end of period	3,060	3,060

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,007	3,446
5.2	Call deposits	53	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,060	3,446

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

159

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	1,000	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	1,000	-

7.5	Unused financing facilities available at quarter end	1,000
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7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Colin Jee Fai Low	1,000	10% of the amount repaid	Unsecured	22/01/2027
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8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(775)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	3,060
8.3 Unused finance facilities available at quarter end (Item 7.5)	1,000
8.4 Total available funding (Item 8.2 + Item 8.3)	4,060
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	5.24

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

- Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

- Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

- Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2026.....

Authorised by: The Board of SportsHero Limited

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.